

Oregon Business Summit
Remarks as Prepared for Delivery
December 13, 2010

When we held the first Oregon Business Summit in 2002, Duncan Wyse and I thought success would be having enough people to fill a couple of booths at a Denny's. In fact, when an ice storm came out of nowhere we thought we were jinxed.

When the doors opened, like this morning, there were hundreds of business people from every corner of the state. Today, this is the place to be.

From the beginning, the key principles of this summit have been reconciliation and compromise with as much bipartisanship as we could get our hands on.

It's still that way. Let me give you an example.

When I arrived at the Pendleton Round-Up last September after a bone-crunching, 13-hour flight from Washington, D.C, a local rancher came up to me, shook my hand and said: "You are doing great back there in DC, guy. Keep up the great work, Greg!"

Now, obviously, he thought I was Congressman Greg Walden. Not wanting to pass up the chance to hitch a ride on Greg's coattails and advance the cause of bipartisanship, I said: "Hey, thanks a lot. And I like working with Ron Wyden, too. You know, get that bipartisan deal going."

The rancher looked up and said: "Yeah, I guess Wyden is okay. Do what you got to do, Greg".

And in the interest of representing our whole state, bipartisanship and the Oregon State Beavers, I want to announce that next year I will be wearing a black and orange tie.

I believe that when Oregonians mailed their ballots last month, your message of Ending Business as Usual was on their mind. At the federal level, that means doing three things:

- 1) Cut the budget deficit and create jobs.

- 2) Government is a slave to process and procrastination and it is time to break the chains that limit job growth.
- 3) Oregon needs to restore its traditional industries and find new ones that our state can build on well into the future.

Nowhere is the federal culture of process and procrastination more damaging than how the federal government manages our forests.

For almost two decades, regardless of whether there was a Republican or Democrat in the White House, Oregon has lost good paying jobs in our woods and mills, forest health has deteriorated and treasured old growth trees have disappeared.

After years of conferences, task forces, plans and reviews of the plans, it is time to say “No more.”

Without dramatic change in Federal forest policy, Oregon will lose the few remaining mills on the east side of The Cascades. If that happens, there will be no one left to mill the logs and tap the promise of biomass.

Without those mills, dead and dying material will keep building up on the forest floor. There will be more catastrophic fires. Thousands of acres of valuable trees will turn into ever more intense and destructive infernos.

Oregon, we cannot let this be our forestry future.

We now have alternatives:

First, it starts on the east side where responsible members of the timber industry and the environmental community have worked with me on a plan to create both jobs and healthier forests.

This legislation will get saw logs to the mills and thin millions of acres of overstocked second-growth forests. It will reduce the risk of fire, protect old growth and halt the maddening cycle of never-ending timber sale appeals.

This first-of-its-kind strategy can revive the timber industry in Eastern Oregon and then be used in much the same way on the west side forests. Those efforts are now underway.

Second, biomass can be a major source of new, good paying, Oregon jobs and clean energy, but only if it is not killed in the crib with dumb regulations.

The Obama Administration wants to regulate biomass as if it was just one more fossil fuel-based industry spewing carbons into the air.

That is bad science, bad for the future of clean energy and bad for job creation. As the chairman of the Senate Forestry Subcommittee, I will not let it happen.

Third, the forest policy of the future must explicitly recognize the federal government's historic obligations to our rural communities. I wrote the first and second county timber payment laws that have brought more than \$2.5 billion to Oregon communities over the last decade.

With the support of my colleagues, in the next Congress I will write the third county timber payment law.

It is part of the agreement entered into with rural states a hundred years ago when the federal forest system was created and the federal government ended up owning more than half of our land.

I have no higher priority than making sure Oregon's rural communities are never sacrificed on the altar of myopic, misguided thinking inside the DC beltway.

When it comes to federal procrastination, I am obviously working in a target rich environment. In the interest of time, let me turn to health care next.

After passing a federal health plan to greatly expand coverage, the federal government must get moving to combat the Number One health care concern in this room: escalating costs.

At the very least, federal law must be changed to allow states to quickly obtain waivers and not be forced into a one-size-fits-all health care program. Senator Scott Brown, Republican of Massachusetts, and I have introduced a bill to do just that.

As of today, it is the only bipartisan proposal in Congress that would empower Oregon to quickly carve our own health care future with more cost containment.

This legislation would harness the talent in this room to that of health care providers, senior citizens, labor leaders and others. Then, we will be able to chart a health care future where costs no longer far exceed inflation.

A bona fide monument to procrastination and business as usual is the Federal tax code.

You know, the one that was last overhauled a quarter century and thousands of tax changes ago. The one that we've been using since China and India were barely blips in the global economy.

Now those nations have grown into tough, international competitors. If we are going to beat them, then federal tax policy must consist of more than adding a few tax breaks here, some temporary change there, and a liberal sprinkling of goodies that keep the special interests in Washington, D.C., happy.

There must be permanent reform of our job-killing, insanely complicated and thoroughly discredited federal tax law.

In its place, The White House and Congress should pick up on the work of former President Reagan and populist Democrats like Dick Gephardt and Dan Rostenkowski. That means sweeping out multitudes of special interest tax breaks in order to hold down rates and keep progressivity.

I have authored legislation with Senator Judd Gregg, Republican of New Hampshire, to do just that. The leaders of the Federal Deficit Commission like it, and the Heritage Foundation – which I admit I don't quote every day – says it will create 2.3 million new jobs per year.

I have asked the President to set the table for just this sort of tax reform at his state of the Union address next month.

There will be no real changing of business as usual without changing federal trade policy.

One out of six Oregon jobs is directly or indirectly tied to trade through the movement of cargo and other activities at Oregon's ports.

You can sum up my focus on international trade in one sentence: Oregon must find new ways to grow things, make things, add value to them and then ship them

somewhere. That will be my focus as chairman of the Senate Finance Subcommittee on International Trade and as a member of the President's Export Council.

There are job-creating opportunities for Oregon's trade community that will come up next year.

For example, next year Congress will write a new Farm Bill. I'm going to do everything I can to make it the most export-friendly Farm bill in history. Right now, there is world-wide competition for branding of wines in China and throughout the Pacific Rim. I'm determined for Oregon to beat Australia, Chile and New Zealand and get our brand established first. The Farm Bill creates opportunities for a whole host of Oregon agriculture. I will work with Oregon farmers to tap all of them.

This summit will address green energy. We must not miss the opportunity to design and manufacture for export more solar panels, wind turbines and other fruits of the green-energy space throughout the world. Again, we are being challenged by the Chinese. The Chinese are increasing their market share of green goods by an increasing number of questionable practices that hurt Oregon companies and distort global markets. More than 40 senators share my views. I predict this will come before the World Trade Organization early next year and will result in a more level playing field for Oregon's green energy exporters.

Finally, digital trade is an especially exciting opportunity. The internet is the shipping lane of the 21st Century. Goods and services delivered through the net, whether they are software used to run business networks or cloud computing services, have huge potential for Oregon.

American technology now dominates this space. As foreign firms try to catch up, Oregon companies report that foreign governments rely on piracy and censorship to create a high-tech blockade to keep out our digital goods and services.

My message as chairman of the Trade Subcommittee will be: China, tear down that firewall.

Having talked about ending business as usual, I want people to walk away thinking also about the bright spots in the Oregon economy:

The world's biggest wind mill farm is coming to Shepherds Flat.

Facebook is opening a huge data center in Prineville.

Google is in The Dalles.

On the south coast, the Port of Coos Bay is reopening the railroad and restoring freight rail service vital to the area's economy.

Federal maritime researchers are setting up shop in Newport.

Intel picked Oregon, rather than any one of a large batch of heavyweights for its Fab in Washington County.

The economic development business is changing.

Greenlight Greater Portland, the regional, privately financed economic development group, will prove that the Columbia River between Oregon and Washington can be a bridge instead of barrier.

As we change business as usual in Oregon, let us not change what these successes were built on: quality workers, their unparalleled work ethic, and our extraordinary quality of life.

I'll be back in Washington, D.C., tonight knowing that you will equip our congressional delegation with a solid game plan for changing business as usual. These summits have never let us down in the past, and I know that eight hours from now you will have produced another success.

Your promise today is that you will not accept business as usual from state government. My promise to you is that I won't accept it from the federal government either.

Thank you.